

VZCZCXRO1578
RR RUEHDBU RUEHFL RUEHKW RUEHLA RUEHNP RUEHROV RUEHSL RUEHSR
DE RUEHMO #2524/01 2781001
ZNY CCCCC ZZH
R 051001Z OCT 09
FM AMEMBASSY MOSCOW
TO RUEHC/SECSTATE WASHDC 4988
INFO RUCNCIS/CIS COLLECTIVE
RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 4522
RHEHNSC/NSC WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 MOSCOW 002524

SIPDIS

STATE FOR EUR/RUS, EEB/IFD

E.O. 12958: DECL: 10/05/2019

TAGS: [ECON](#) [EIND](#) [EINV](#) [ENRG](#) [PINR](#) [RS](#)

SUBJECT: YAKUNIN CONSULTANT SEEKS USG SUPPORT FOR NORTHERN
INTERMODAL CORRIDOR OF EUROPE (NICE)

REF: 08 MOSCOW 3228

Classified By: ECON M/C Matthias Mitman for reasons 1.4 (b./d.)

¶1. (C) We recently met with Consuelo de Haviland (aka Dussya Kostolevskaya), at the introduction of the French Embassy in Moscow. She presented herself as a consultant to Vladimir Yakunin, general director of Russian Railways (RZhD), and RZhD's representative in France. Her purpose in meeting with the U.S. Embassy, however, was to seek support for the Northern Intermodal Corridor of Europe (NICE). This project would develop a transport route from the East Coast of North America to China/Central Asia, via the (as yet undeveloped) port of Murmansk. The objective would be to skip Europe altogether and realize time and cost savings. (Note: Both President Medvedev and Prime Minister Putin are rumored to be attending the Murmansk International Economic Forum on 15-17 October, which will highlight the potential of the region should the port be developed. End note.)

¶3. (C) De Haviland was vague on timing, planned cargo, and financing, but she did give us an initial feasibility study on NICE. According to the study, the basic objective is to transform Murmansk into an important hub for the international logistics market. NICE hopes to tap the China-US trade market and to support the development of offshore oil and gas fields in North-West Russia, including the Shtokman field, by offering transport solutions. NICE would combine land (rail), port, and sea links with as few "connection points" as possible to reduce transit times and costs. Among other steps, the study recommends that a market analysis and more detailed project description be completed; that Russian customs procedures be improved; and, that the investment plans for the port of Murmansk and the rail sections south and east of it be "sped up". It concludes with a proposal for more funding to produce the more detailed project description.

¶4. (C) After setting out the NICE plans and explaining to us that Foreign Minister Lavrov had predicted that the U.S. "would never support" such a project, she asked us our opinion. She prefaced her question by saying that if the U.S. would publicly support -- no financing was necessary -- the development of the Murmansk port and the concept of the NICE project, then "any problems that any U.S. company in Russia might be facing would go away". She repeated this proposition at least three times in the course of the conversation.

Comment

¶5. (C) Since the NICE project is, at best, many years from fruition, assessing de Haviland's message and motivation is

difficult. Yakunin is close to Putin and operates at the highest levels of the GOR (reftel), which makes his need for services from de Haviland's level unclear. De Haviland attributed the reluctance of Russian officials/businesspeople to introduce the NICE proposal directly to more highly-placed USG interlocutors to their "fear" of being snubbed. While we suspect there is little substance behind de Haviland, we will continue to monitor the NICE project. End comment.

Bio Note

¶6. (C) De Haviland introduced herself to us as an actress and scion of the de Haviland china manufacturers, who produced the Lincoln china that President Obama dined on for his inauguration. She is a dual citizen (U.S. and French); she claims to have also been offered a Russian passport, which she declined. Her history in Russia began in the 1990s, when she created the role of Chekhov's Tatiana Repina. She went on to marry (somewhat scandalously it seems) Igor Kostolevsky, a movie star heartthrob of the Soviet Union, and became a part of the Kremlin set. She lives in both Russia and France. She said that she was "only an actress" and explained that she had gotten her start in the railway industry when she, as a French citizen, had been asked by Yakunin why France did not allow Russian trains to operate in France. She claimed to have brought together the French and Russian sides to restart the Paris-Moscow route (named Dussya, after her). De Haviland told us her role was as a facilitator who gauged reactions and brought parties to the same table.

MOSCOW 00002524 002 OF 002

Beyrle